

D.T.E. 01-71A-1

Investigation by the Department of Telecommunications and Energy on its own motion, pursuant to G.L. c. 164, §§ 1E, 76 and 93, into Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric's service quality filings, including but not limited to, their service quality filings submitted in response to Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84.

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FOR: BOSTON EDISON COMPANY, COMMONWEALTH
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LIGHT COMPANY d/b/a NSTAR ELECTRIC
COMPANY
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I. INTRODUCTION

On December 5, 2001, the Department of Telecommunications and Energy (“Department”) approved service quality (“SQ”) plans for Boston Edison Company (“BECo”), Commonwealth Electric Company (“Commonwealth”), and Cambridge Electric Light Company (“Cambridge”), collectively doing business as NSTAR Electric, as being in compliance with the SQ standards established by the Department. Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84, at 2, Letter Order (December 5, 2001). These SQ plans specify a calendar-year reporting period with annual filings submitted to the Department on March 1 of each year (“Annual SQ Reports”).

On March 22, 2002, the Department issued an Order concerning BECo’s, Commonwealth’s, and Cambridge’s SQ performance for the period September 1, 1999 - August 31, 2001.¹ Service Quality of NSTAR Electric, D.T.E. 01-71A at 6 (2002). The Department stated that NSTAR Electric’s SQ performance from September 1, 2001 - December 31, 2001 was outside the scope of the D.T.E. 01-71A proceeding² and would be reviewed at another time. On March 1, 2002, NSTAR Electric filed data for September 1, 2001 - December 31, 2001 in each of its constituent companies’ Annual SQ

¹ The Department found that BECo and Commonwealth failed to meet their performance goals in certain SQ measures, which resulted in BECo incurring a penalty of \$3,207,141 and Commonwealth incurring a penalty of \$42,358 (*id.* at 14-15, 21).

² The scope of D.T.E. 01-71A was limited to NSTAR’S SQ performance from September 1, 1999 through August 31, 2001 (Letter dated August 22, 2001 from Department’s General Counsel).

Reports for 2001.³ In this Order, the Department reviews BECo's, Commonwealth's, and Cambridge's SQ data for the September 1, 2001 - December 31, 2001 period.

II. ANALYSIS AND FINDINGS

In their Annual SQ Reports for 2001, at Appendix 12, BECo, Commonwealth, and Cambridge compared their SQ performance data for September 1 - December 31, 2001 to the performance benchmarks established for that period in D.T.E. 01-71A. For SQ penalty measures that rely on percentage statistics, NSTAR Electric calculated a performance statistic by annualizing performance for the four months (id.). For SQ penalty measures that rely on numeric statistics, NSTAR Electric multiplied the four-month observation by three to derive an annualized performance statistic (id.). NSTAR Electric then compared the annualized statistics to the benchmarks applied in D.T.E. 01-71A (id.).⁴ To calculate pro rata penalties and offsets, NSTAR Electric multiplied the total annual maximum penalty for each measure by one-third (id.). Under NSTAR Electric's analysis, no penalties would be assessed (id.).

The Department has reviewed the SQ data provided by NSTAR Electric and we conclude that BECo, Commonwealth, and Cambridge Electric met or exceeded their

³ No party to this proceeding availed itself of the opportunity to comment on the SQ data for the time period. D.T.E. 01-71A, Hearing Officer Memorandum (September 26, 2002)

⁴ In D.T.E. 01-71A, the Department calculated benchmarks for the year 2001 based upon the formulas established in D.T.E. 99-84.

performance benchmarks for the period September 1, 2001 through December 31, 2001 (id.).

Accordingly, the Department finds that NSTAR Electric is not subject to any SQ penalties for this reporting period.

By Order of the Department,

Paul B. Vasington, Chairman

James Connelly, Commissioner

W. Robert Keating, Commissioner

Eugene J. Sullivan, Jr., Commissioner

Deirdre K. Manning, Commissioner

Appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part.

Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. (Sec. 5, Chapter 25, G.L. Ter. Ed., as most recently amended by Chapter 485 of the Acts of 1971).